

AGENCY ESTIMATE
OF THE FISCAL IMPACT OF IMPLEMENTING

2nd Sub. S.B. 60 2011 General Session

Pilot Accountability Permit Program and Identity Related Amendments

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A. Short Form (For bills that have no impact on the state, local governments, businesses, or individuals.)

If you can check all five boxes to the right, you're almost done. If the bill obviously doesn't have an impact, you're done.

- | | |
|-------------------------------------|---|
| <input checked="" type="checkbox"/> | State agencies will not require an appropriation to implement the bill. |
| <input checked="" type="checkbox"/> | There is no fiscal impact on local governments. |
| <input checked="" type="checkbox"/> | There is no fiscal impact on businesses. |
| <input type="checkbox"/> | There is no fiscal impact on individuals. |
| <input type="checkbox"/> | The bill will not affect revenues. |

If it isn't so obvious, explain what's going on. The most usual explanation is the codification of existing practices.

If necessary, explain why this bill has no fiscal impact.

Attachments welcome.

B. What parts of the bill cause fiscal impact?

Cite specific sections or line numbers.

Lines 558 thru 589

C. Which program gets the appropriation?

Enter 3 letter Appropriation Unit Code.

For multiple appropriations

This is of

D. Work Notes: Assumptions, calculations & what are we buying?

Explain the fiscal impact in plain English, detailing your assumptions, methods, & calculations.

List all direct costs. Identify one-time and ongoing costs. Detail FTE impacts.

Do not say, "\$50,000 in Current Expense." Be very specific about what this \$50,000 will buy.

Attachments encouraged.

See the attached tab titled "Fiscal Impact Projection". The impact has been estimated based on Assumptions (items in **Black**) and Projections (items in **Blue**). The Legislative Fiscal Analyst can change assumptions by changing the items in **Black** which will change the Projections in **Blue**. The impact estimate contemplates that the Legislature would allocate revenues from the Restricted Account indicated in Section 53-16-203 of 2nd Sub SB 60 to the Utah State Office of Education in order to cover a portion of start up and ongoing costs for administration of its portion of the Program. Further the estimate assumes the testing contractors will remit an add on fee to the USOE to further defray the cost. Based on an assumption of 10,000 permit seekers in the initial year, and a reasonable add-on fee for the permit process and testing process, start up costs could be recovered over the first three years of the program. This assumes the program would be renewed for that period.

PART D. CONTINUED BELOW -

E. REVENUES

Select Fund

Current Budget Year
FY 2011

Coming Budget Year
FY 2012

Future Budget Year
FY 2013

Uniform School Fund

240,000

240,000

Total	0	240,000	240,000

F. COSTS by FUND

Select Fund	Current Budget Year FY 2011	Coming Budget Year FY 2012	Future Budget Year FY 2013
Uniform School Fund		298,889	183,889
Total	0	298,889	183,889

G. COSTS by EXPENDITURE CATEGORY.

Expenses by Category	Current Budget Year FY 2011	Coming Budget Year FY 2012	Future Budget Year FY 2013
Personal Services		148,889	148,889
Travel			
Current Expense		150,000	35,000
DP Current Expense			
DP Capital Outlay			
Capital Outlay			
Other/Pass Thru			
Total	0	298,889	183,889

H. Non-State Impacts

Your estimate of how will the bill affect:

Local Governments

Certain School Districts and other community organizations provide the Alternative, Adult Education and GED Testing Services Program run through the State Office of Education. They would provide much of the infrastructure for this new testing program.

Businesses

Individuals

Individuals who wish to obtain Permit A or Permit B will be required to pay for the costs of 160 hours of aggregate training and any testing costs.

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This is a draft fiscal note response from the Utah State Office of Education (USOE) and may be revised in the future.

Attachments welcome.

PART D. CONTINUED - However, if that testing level is not met, or the program is not renewed, it is possible that costs would NOT be recovered through testing and permitting fee revenue. The revenues shown in Section E. would be derived from the appropriation and add-on testing fee. In evaluation with internal staff, it appears the most cost effective way to administer the record retention portion of the testing program is to adjust current systems in place at the USOE, rather than at the Contractor level. Please call with any questions, comments, or requests for additional information.

S.B. 60 - PILOT ACCOUNTABILITY PERMIT PROGRAM AND IDENTITY RELATED AMENDMENTS		
	Assumptions	Projections
Approximate number of undocumented workers in Utah - 2009 estimate	110,000	110,000
Estimated number of total tests (English and Civics) on an annual basis	10,000	10,000
Estimated number of required testing facilities - State wide distribution	11	11
Program Start Up Costs		
Rule Drafting and Processing	\$10,000	\$10,000
Procurement Process to contract with Third Party Administrators for Adult Testing	\$5,000	\$55,000
Minimum projected cost to adjust current database of test history and outcomes, and record retention	\$50,000	\$50,000
Ongoing Program Costs		
Program Coordinator - Adult Testing, and Minor Testing Documentation Coordinator, Proficiency Standards	\$148,889	\$148,889
Additional Administrative Costs and Expenses	\$35,000	\$35,000
State Appropriation - Annualized Fixed Costs in First Year of S.B. 60		\$298,889
Annualized Fixed Costs in subsequent years of S.B. 60		\$183,889
Ongoing State Appropriation		\$183,889
Program Revenue for increase in permit fee for Restricted Account per Section 53-16-203	\$12	\$120,000
Program Revenue for increase in testing fee to be remitted to USOE by Contractors	\$12	\$120,000
Total Revenue to offset costs		\$240,000